

**Department of Legislative Services**  
Maryland General Assembly  
2001 Session

**FISCAL NOTE**

Senate Bill 147      (Senator Kelley, *et al.*)  
Finance

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**Insurers - Third Party Claimants - Notice of Payment to Claimant's Attorney**

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This bill requires an insurer to provide written notice to a third party claimant of payment of \$2,000 or more in settlement of a third party liability claim for bodily injury if the claimant is an individual and the payment is delivered to the claimant's attorney by check, draft, or other means.

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**Fiscal Summary**

**State Effect:** Any additional market conduct review that would be required could be handled by the Maryland Insurance Administration with existing budgeted resources. Any additional administrative or mailing costs incurred by insurance companies are assumed to have a negligible effect on premiums and thus no effect on the 2% premium tax.

**Local Effect:** None.

**Small Business Effect:** Potential minimal.

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**Analysis**

**Current Law:** Notice to a third party claimant of \$2,000 or more in settlement of a third party liability claim for bodily injury is optional.

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**Additional Information**

**Prior Introductions:** Identical bills were introduced in the 2000 session as SB 118 and HB 1258. SB 118 passed the Senate and was heard in the House Judiciary Committee, where no further action was taken on it. HB 1258 was referred to the House Rules and Executive Nominations Committee, where no further action was taken on it. An identical bill was introduced in the 1998 session as SB 476 and received an unfavorable report from the House Economic Matters Committee.

**Cross File:** HB 187 (Delegate Krysiak) – Economic matters.

**Information Source(s):** Maryland Insurance Administration, Department of Legislative Services

**Fiscal Note History:** First Reader – January 24, 2001  
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